

REGULATORY UPDATE

**27th Annual PHMSA
Gas Pipeline Safety Seminar
December 2, 2014
Wallace Jones, Administrator
Gas Pipeline Safety
Alabama Public Service Commission**



REGULATORY UPDATE

- Utility Enforcement Director: Janice M. Hamilton
- Gas Pipeline Safety Staff:
 - Investigators:
 - North Alabama: Greg Meadows
Asia Stephens
 - Central Alabama: Daniel Trapp
Randy Hammond
 - South Alabama: Judy Ramsey
 - Administrative: Felisa Webster



REGULATORY UPDATE

Public Awareness

- State regulators
 - Additional time spent on inspections and debriefing at end of inspection
 - More attention to detail during inspections
 - Standard (canned) responses should be re-evaluated
 - Evaluation and effectiveness surveys of utmost importance
 - Possibly additional manpower to conduct inspections
 - More scrutiny by outside sources (PHMSA, Congress, newspapers, TV, advocacy groups)



REGULATORY UPDATE

➤ Operators

- More funding to determine which “best practices” to use
- More funding to educate customers and those along rights-of-way
- Additional manpower requirements to fulfill obligations resulting from “best practices”
- Possibility of violation if program not in compliance
- State-wide campaign



REGULATORY UPDATE

- Public Awareness – other considerations
 - Media – more probing questions; sometimes not relevant to the current situation; WHY???
 - Customers – want answers and compensation for everything
 - Need-to-know
 - Where is the pipeline in relation to my house?
 - What is it carrying?
 - What can happen?
 - What do I need to do in case of emergency?
 - Advocacy Groups – make it so safe that nothing can happen!!!



REGULATORY UPDATE

➤ Pipeline Integrity Management Verification

➤ State Regulators

- MAOP verification - uncertain at this point what will be acceptable from PHMSA's viewpoint
- No specific guidance from PHMSA about direction it is headed
- Certain to involve additional man-hours, training for investigators



REGULATORY UPDATE

➤ Operators

➤ MAOP verifications

- Which methodologies to use?
- How many miles of pipeline affected? How will addition of MCAs affect inspections?
 - **Moderate Consequence Area (MCA)** means non-HCA pipe in Class 4, 3, or 2 locations, & Class 1 locations with 1 house/occupied site in PIR.



REGULATORY UPDATE

- Certain to involve additional manpower and resources
- Will include requests for information from outside sources
- Any incidents will have long-term repercussions



REGULATORY UPDATE

➤ Safety Management Systems

➤ API RP 1173 in draft – awaiting vote

➤ Main Points

- 1. Leadership and Management Commitment
- 2. Stakeholder Engagement
- 3. Risk Management
- 4. Operational Controls
- 5. Incident Investigation, Evaluation, and Lessons Learned



REGULATORY UPDATE

- Main Points (Continued)
 - 6. Safety Assurance
 - 7. Management Review and Continuous Improvement
 - 8. Emergency Preparedness and Response
 - 9. Competence, Awareness and Training
 - 10. Documentation and Record Keeping
- All points may not apply to all operators



REGULATORY UPDATE

- Damage Prevention – (Adequate State Enforcement)
 - Advanced Notice of Proposed Rulemaking (ANPRM)
 - Published in Federal Register on October 29, 2009
 - Comments received until December 14, 2009
 - Final Rule still pending
 - Nine states already deemed ineligible for One-Call and State Damage Prevention (SDP) Grants (based on exemptions)
 - Possibility of PHMSA carrying out Damage Prevention in the states



REGULATORY UPDATE

➤ Cast Iron Replacement

- PHMSA surveying states on regular basis
- Reports to Congress on progress of states
- Alabama – (as of 12/31/2013) 1293.51 miles
 - 76.25% - Alagasco & Mobile Gas
 - 74.216 miles replaced in CY2014 thru October by Alagasco and Mobile Gas
- ➤ Municipal systems – financial issues



REGULATORY UPDATE

➤ Pipeline Safety Act – 2012 - Progress?

- Congress mandated changes for PHMSA
- NTSB recommended changes for PHMSA
- Pending Regulations?
 - <http://www.phmsa.dot.gov/pipeline/regs/rulemaking>



REGULATORY UPDATE

Rulemaking Pending

- ANPRM 10/18/10 75 FR 63774 - Pipeline Safety: Safety of On-Shore Hazardous Liquid Pipelines
- ANPRM 8/25/11 76 FR 5308 - Pipeline Safety: Safety of Gas Transmission Pipelines



REGULATORY UPDATE

- ANPRM 11/25/11 76 FR 72666 - Pipeline Safety: Excess Flow Valves for Multi person dwellings
- ANPRM 10/29/09 74 FR 55797; NPRM 4/2/12 77 FR 19800 - Pipeline Safety: Enforcement of State Excavation Damage laws



REGULATORY UPDATE

➤ E-Mails and web links

➤ Wallace.Jones@psc.alabama.gov

➤ [http://www.phmsa.dot.gov/pipeline/
regs/rulemaking](http://www.phmsa.dot.gov/pipeline/regs/rulemaking)

➤ www.psc.alabama.gov



QUESTIONS?

